

DEPARTMENT OF STATE REVENUE
LETTER OF FINDINGS NUMBER: 03-0134P
Withholding Taxes
For the Period April 2002 through December 2002

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ISSUE(S)

I. **Tax Administration** – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer filed and paid several of its WH-1's late and was assessed a late payment penalty. In a letter dated March 13, 2003, taxpayer protests the penalty assessed because it did not know where to send its State Withholding Taxes or when they were due.

I. **Tax Administration** – Penalty

DISCUSSION

Taxpayer was assessed a ten percent (10%) penalty for each of its Withholding Tax returns because they were paid after the due date.

Taxpayer remitted its tax late for eight months after opening its business. Taxpayer failed to register with the Department prior to opening her business and remitted eight months of withholding taxes in January 2003. Taxpayer was assessed a late payment penalty for each of the eight late filed returns plus interest.

Taxpayer argues that she was not advised regarding the forms, where to send the taxes, when they were due, and did not know about a district office in their area. Taxpayer states it filed its returns with that office and was told it would owe penalties and interest for filing and paying late.

Taxpayer apparently had not attempted to register before opening its business nor pay its taxes timely. Taxpayer should have had procedures in place to assure that its taxes were filed and paid timely and has not provided reasonable cause to allow a waiver of the penalties assessed.

FINDING

Taxpayer's protest is denied.

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